



DEPARTMENT OF THE NAVY
NAVAL OCEANOGRAPHIC OFFICE
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IN REPLY REFER TO:

CONLOGSERDIVSOP 4200.32

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CONTRACTING AND LOGISTICS SERVICES DIVISION STANDARD OPERATING
PROCEDURE 4200.32

From: Director, Contracting and Logistics Services Division

Subj: SELF-ASSESSMENT/QUALITY ASSURANCE PLAN (SAQAP)

Ref: (a) NAVSUPSYSCOM Guidebook for Procurement Performance
Management Assessment Program (PPMAP), Jan 01
(b) CONDIVSOP 4200.6, Contracting Office Referrals to
Legal Counsel
(c) CONLOGSERDIVSOP 4200.29, Contract Review Board
Duties, Responsibilities and Procedures
(d) CONDIVSOP 4200.5, Procedures for Preparation and
Distribution of DD Form 2579, Small Business
Coordination Record
(e) CONLOGSERDIVSOP 4200.7, Procurement Plan Preparation
(f) CONLOGSERDIVSOP 4200.8, Business Clearance and
Modification Memorandums
(g) CONLOGSERDIVSOP 4200.15, Quality Management of the
Contracting Process
(h) CONLOGSERDIVSOP 4200.31, Survey Process and
Evaluation Plan

Encl: (1) Critical Acquisition Processes Monitored
(2) Contracting Division Standard Operating Procedures
Listing

1. Purpose. The Procurement Performance Measurement Assessment Program (PPMAP) requires the procurement organization to perform a continuous self-assessment through procurement performance based measurements, including the results of employee/associates and customer surveys. The procurement organization is expected to use the results of self-assessments to continuously evaluate the quality of its procurement processes and management systems and to know when corrective action is appropriate. In accordance with Assistant Secretary of the Navy (ASN), sound business practice, and reference (a), this self-assessment/quality assurance plan is implemented.

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2. Background. The Chief of the Contracting Office is responsible for creating and maintaining a quality contracting organization. This Self-Assessment Quality Assurance Plan (SAQAP) supports that requirement to ensure acceptable quality levels are maintained by monitoring critical acquisition processes. The plan describes specific quality reviews to be used to monitor and identify possible process improvement areas. The review results will be used to develop metrics for monitoring and measuring performance quality levels.

3. Action. The self-assessment of critical acquisition processes, work-in-process reviews and after-the-fact reviews create the data and metrics used to manage performance quality levels. These reviews identify problem areas, training requirements and inefficient processes. In addition, performance based measurements are derived from customer, employee and management surveys. Corrective action and feedback will be provided from the survey metrics to ensure continuous improvement and performance.

a. Self-Assessment of Critical Acquisition Processes

(1) Critical Acquisition Processes Monitored. Enclosure (1) lists the critical acquisition processes to be evaluated and monitored. The various processes can be used on both a pre- and post-award basis and are reviewed as indicated in enclosure (1). These processes can change due to quality review results showing process is at an acceptable level over a period of time, technological changes, or other factors as determined by the Self-Assessment Review Oversight Team.

(2) Self-Assessment Review Oversight Team. The Self-Assessment Review Team consists of the Contracting Technical Leads. The purpose of the Self-Assessment Review is to ensure compliance with regulatory guidance and identify trends of documentation deficiencies for increased management attention. At the discretion of the Technical Leads, other personnel may also be included in the review process. It is the responsibility of the Self-Assessment Review Team to ensure reviews are conducted on schedule and conducted in accordance with reference (g). After each review, the Self-Assessment Team will be responsible to provide feedback and training (if needed) to the division. The effort expended to capture the review data must always be reasonable and balanced against the multiple demands placed on department resources. The SAQAP will be reviewed annually by the Self-Assessment Review Oversight team.

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b. Product - In Process Reviews. Work in-process reviews are done throughout the acquisition process. These reviews are completed by various acquisition personnel, i.e., Supervisory Contracting Officers, contract specialists and legal counsel, dependent upon the processing phase of the acquisition. The various work in-process reviews are as follows:

(1) Contracting Officer (Branch Supervisor) Review of Purchase Award Packages Prior to Award.

Team leaders review buyer packages prior to solicitation and before award for completeness of file documentation and regulatory compliance. The order is considered complete and ready for release (either solicitation or award) by the specialist at time of supervisory review.

This review ensures Acquisition Reform (AR) initiatives are incorporated whenever possible; mandatory government sources of supply are utilized; micro-purchase purchase card policy mandates are supported; required terms and conditions are included and sufficient funding is available. Supervisors will use Quality review finding results when they check for buyer quality improvement and to identify systemic problem areas. This review is also used to identify possible training requirements.

(2) Additional In-Process Reviews

The various in-process reviews discussed below are included in this plan as references (b) through (f). Although they are stand-alone standard operating procedures (SOP), they are a part of this Quality Plan and support real time reviews and oversight of work-in-process. The various review and oversight procedures in the individual documents ensure acceptable quality levels are maintained throughout the acquisition process. The many on-going individual reviews identified in these SOPs will not be documented and kept in a database. There will, however, normally be some type of notation in the file (checksheets, signature pages, etc.) showing the review has been accomplished. If there is a requirement for "special" file documentation, it will be discussed and monitored per the individual SOP. A brief description of the referenced in-process reviews and a

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discussion of their impact on the quality of the product/service follows:

(a) CONLOGSERDIVSOP 4200.6, Contracting Office Referrals to Legal. This instruction identifies the various acquisition-related documents requiring legal counsel review prior to solicitation, negotiation and award. This review, in addition to the Contracting Officer's review, provides another opportunity to validate regulatory mandates are met ensuring acceptable quality levels are maintained in the acquisition process.

(b) CONLOGSERDIVSOP 4200.29, Contract Review Board (CRB) Duties, Responsibilities and Procedures. This procedure identifies the specific documents that must have CRB review prior to solicitation, negotiation and award. The CRB is used to examine documents for reasonable business decisions and compliance with regulatory requirements. This validating review, along with the initial Contracting Officer review, provides another layer of protection ensuring errors are identified and corrected in real time.

(c) CONLOGSERDIVSOP 4200.5, Procedures for Preparation and Distribution of DD Form 2579, Small Business Coordination Record. This procedure provides information on the preparation and distribution of the DD Form 2579 and the NAVOCEANO local form outlining responsibilities of the contract specialist, contracting officer and Small Business Specialist. Ensures all small business reviews and documentation are prepared and approved in accordance with applicable regulations and guidance.

(d) CONLOGSERDIVSOP 4200.7, Procurement Plan Preparation. This procedure ensures continuous oversight and additional management of individual acquisitions throughout the buying process. The instruction provides procedures for the preparation, review and approval of a procurement plan. The purpose of this planning is to ensure that the Government meets its needs in the most effective, economical, and timely manner. All plans and documentation are prepared and approved in accordance with applicable Navy regulations and guidance.

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(e) CONLOGSERDIVSOP 4200.8, Business Clearance and Modification Memorandums. This procedure defines the review/approval process for requirements below \$100 million requiring business clearances or related documentation. Specialists follow a specific format and content prior to certain contract actions. This additional review/approval process ensures business clearances are prepared and approved in accordance with applicable Navy regulations and guidance.

c. Product - After-the-fact Reviews. After-the-fact product reviews are used to establish the level of quality on completed work products, ensure continuous improvement in the quality of future products, and to identify training requirements. Various experienced acquisition personnel conduct these reviews based upon the type of audit to be accomplished. The after-the-fact reviews and any required review documentation requirements are performed in accordance with reference (g). This SOP establishes a comprehensive program to ensure compliance with contracting laws and regulations and to provide for systematic procurement reviews that will contribute to continuous improvement of the contracting process by identifying problems areas and determining training needs. Contract file quality reviews are conducted quarterly, and the review results are posted to the NAVOCEANO web page.

d. PERFORMANCE-BASED FOCUS AND ASSESSMENTS. In accordance with reference (a), customer, employee and management assessment surveys provide the Contracting Division with a performance based measurement approach to assess the quality of our products and to make process improvements. Reference (h) provides specific guidance for the preparation, execution and evaluation of various types of NAVOCEANO surveys, and enclosure (1) lists the QA plan for monitoring survey metrics. In addition to these surveys, areas focusing on improving customer and employee initiatives are addressed.

(1) Customer Focus

(a) NAVOCEANO is dedicated to providing their customers with products and services that are of the highest quality. Division management and employees have identified their customers and interact regularly with them to understand needs, formulate actions, and measure progress. Customer outreach programs, planning participation, training, and data

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analysis are some of the methods utilized by the Division to enhance customer relations.

(b) Customer Knowledge. The Contracting and Logistics Services Division employees provide guidance and training to customers regarding the procurement planning and the acquisition process. In addition to individual training, the Division has taken a proactive approach to providing the customer information through conducting on-site seminars, attending planning meetings, publishing information in bulletin articles and electronic mail.

(c) Relations. Active participation and interaction with the customer and the contract specialists during the planning, negotiation and award phase of the procurement has resulted in achieving customer satisfaction with quality products. The Contracting and Logistics Services Division has continued to maintain an "open door" policy and encourages face-to-face contact with the customer throughout all stages of the procurement.

(d) Accessibility. Customers have access to Contract Specialists through face-to-face contact, telephone, electronic mail and facsimile. The customer has access to status of the requisition via the Supply Information System (SIS).

(e) Complaint Management. The Division encourages interaction and feedback from the customer. Typically complaints are entered and resolved (orally, e-mail, or memorandum) at the lowest levels within the organization. If the customer has concern that his/her complaint is not progressing within the organization, the complaint is elevated within the chain of command, i.e. Technical Team Leader/Supervisor or Division Director. Once the complaint has been resolved, management takes the necessary steps to change policy, conduct training and complete lessons learned.

(f) Surveys. Customers can provide input regarding satisfaction with contracting service through a short survey. Surveys are submitted electronically and in the future will be available through the division website providing real time access to customer responses. Evaluation results are documented along with recommendations of proposed actions in accordance with reference (h).

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(2) Employee Focus

(a) Work Environment. Management is committed to maintaining a work environment and work climate that is conducive to the well being, satisfaction and motivation of the Division employees. An "open door" policy is encouraged for employees' concerns and feedback.

1. Working Conditions/Tools. Employees are provided with up-to-date information technology equipment and resources. Workspaces are clean, spacious and environmentally controlled. Management promotes and encourages a safe and healthful work environment. NAVOCEANO Facilities, Safety, and Environment Division periodically conducts visits for the purpose of evaluating workspaces, making recommendations for potential areas of improvement within the division or training.

2. Recognition. Employees are provided the opportunity on a quarterly basis to submit to an awards board their performance activities and receive monetary or time-off award for work accomplished. The supervisor or other employees can also provide input or submit recommendations for outstanding accomplishments. Accomplishments are also recognized with on-the-spot awards, length of service awards or other methods of recognition.

3. Work schedule flexibility. With supervisor concurrence, all employees may select either the basic work schedule or the compressed work schedule.

4. Training. Management encourages employee input pertaining to the organizational structure and recruiting strategies. Positions within the Division are typically filled as career ladder positions with initial placement at the entry level and an opportunity for advancement to full performance. Training programs are designed to promote professional growth and advancement. Individual Development Plans are prepared annually and management provides the necessary resources and support throughout the year to ensure employees meet their training goals.

(b) Leadership/Management. The Contracting Office supports a climate in which decisions are made at the lowest appropriate level and encourages employee's ideas and opinions that improve work environment, morale and the procurement process. Employees are informed of policy, issues and initiatives though the use of electronic correspondence, team

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sharing meetings and daily interaction. All workload is reviewed/assigned by the Contracting Officer and tracked through the procurement system ensuring workload is distributed fairly.

(c) Partnership and Mission Goals

1. During the procurement process, employees are involved with acquisition planning, requirement development, budget and strategic planning of procurement actions.

2. Contracting office goals, mission and vision statement have been developed, posted and discussed. All employees are encouraged and strive to achieve the Contracting Office's goals of driving down cycle time, building a skilled and flexible workforce and ensuring the integrity of the contracting process.

(d) Employee Surveys. Employees are surveyed annually using procedures outlined in references (a) and (h). The surveys identify areas of weakness and begin efforts to improve systems and processes.

(e) Critical Processes

1. Training: IDPs, DAWIA certification and Continuous Learning (see enclosure (1)).

2. Human Resources statistics

(3) Managerial Self-Assessment. In accordance with reference (a), each contracting activity is required to develop performance-based self-assessment measurements including the Management Self-Assessment. The intent is for the survey to help the Contracting Division to immediately identify areas of weakness, set goals, and begin efforts to improve systems and processes.

(a) Procedures. Management Self-Assessment surveys are conducted annually. The Team Leaders/Supervisors and other personnel within the Division will take the survey if deemed necessary by the Division Director following procedures in reference (h). The Division Director, or authorized representative, will document a plan of action and milestones (POA&M) and an evaluation plan 30 days prior to the issuance of a survey.

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(b) Corrective Action/Feedback - After the final results of the survey, feedback will be provided to the division personnel. Feedback can be provided to the division through face-to-face meetings, issuance of a memorandum, training classes, or posting of the results on electronic media.

(4) Critical Processes

(a) Customer Survey (see enclosure (1))

(b) Employee Survey

(c) Management Assessment Survey

4. Small and Disadvantaged Business Utilization (SADBU) Office

a. The NAVOCEANO Contracting Division fully supports the Government's (Office of the Secretary of Defense (Small Disadvantaged Business Utilization Office (OSDSADBU), Department of Defense (DOD) and Department of the Navy (DON)) Small Disadvantaged Business Programs policy to provide maximum practicable opportunities in its acquisitions open to small business, veteran-owned small business, service-disabled veteran-owned small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns. Such concerns are also given the maximum practicable opportunity to participate as subcontractors in the contracts awarded by NAVOCEANO consistent with efficient contract performance.

b. Quality Standards/Review/Metrics Quality Review standards consist of guidance contained in references (a) and (d). The SB Specialist reviews and makes recommendations for all acquisitions valued over \$10,000 and verifies and reviews the DD Form 2579, Small Business Coordination Record, or the division's SB set-aside local form.

c. The SADBU QA Plan utilized to measure the overall success and progress of the NAVOCEANO SB Program is listed in enclosure (1) (attachment (7)). SB metrics and statistics are also provided in the semi-annual SADBU Program Goals report, the Small Business Improvement Plan (SBIP), provided to NAVSUP containing statistics, outreach initiatives, training, management briefings, recognition, innovation, lessons learned, special assignment and pending significant projects.

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5. Purchase Card Program

a. NAVOCEANO actively promotes and maximizes the use of the Government Purchase Card. The Agency Program Coordinator (APC), located in the Contracting Office, provides management and oversight for operation of the NAVOCEANO Purchase Card Program in accordance with FAR Part 13, DFARS 213, NAPS 5213 and EBUSOPSOFFINST 4200.1. The APC develops, distributes and updates the internal operating procedures. NAVOCEANO policy is to use the purchase card for all supplies and services at or below the micro purchase threshold as a procurement method or as a method of payment above the micro-purchase threshold.

b. Quality Standards/Review/Metrics. Semi-annual reviews of the Program are conducted and documented to ensure adequate local internal controls are in place. Any irregularities are resolved with appropriate corrective action. The APC ensures appropriate grants of authority are provided. One area of review assessed by the NAVOCEANO APC is listed in enclosure (1) (attachment (4)) tracking required cardholder training.

6. Acquisition Reform Initiatives

a. The Naval Oceanographic Office (NAVOCEANO) is committed to the Acquisition Reform Principles and initiatives. The improvements have been initiated and are being accomplished through a myriad of acquisition reform techniques, technology adaptations, and teaming with customers and industry to accomplish reform initiatives including the use of the following:

(1) Best Value/Greatest Value Evaluations. The Best Value process is used in competitive, negotiated contracting to select the most advantageous offer by evaluating and comparing factors in addition to cost or price. It allows offerors flexibility in selection of their best proposal strategy through tradeoffs which may be made between the cost and non-cost evaluation factors. This approach should result in an award that will give the Government the greatest or best value for its money. The offeror is allowed greater flexibility in proposing and assessing the value of cost/technical tradeoffs. The Best Value approach stimulates innovative thinking and techniques, obtains technology breakthroughs and reduces life cycle costs.

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NAVOCEANO has been proactive in the use of the Best Value/Greatest Value approach.

(2) Past Performance Evaluation Criteria. Past Performance Information (PPI) is relevant data regarding a contractor's actions under previously awarded contracts. It includes the contractor's record of (1) conforming to specifications and standards of good workmanship; (2) containing and forecasting cost on any previously performed cost reimbursable contracts; (3) administrative aspects of performance; (4) history for reasonable and cooperative behavior, and (5) commitment to customer satisfaction and business-like concern for interests of the customer.

Recent acquisition reform legislation, policies, and guides are intended to move source selections into increasingly greater use of "best value" procedures, in which considerations of non-cost factors (i.e. technical, management, and PPI) might justify award to other than the apparent low cost offeror. In particular, these reforms require source selection officials to consider relevant past performance as a measure of performance risk for future contract awards. It is closely related to other acquisition reform initiatives, i.e. Risk Management, Affordability, and Best Value.

NAVOCEANO utilizes the Product Data Reporting and Evaluation Program (PDREP) in the evaluation of Past Performance. The PDREP maintains an automated information system to collect and evaluate product quality performance, deficiency trend data and supplier performance history. The intent of the PDREP is to improve product quality, services and delivery through the collection and evaluation of product quality performance information. The application of PDREP subsets at NAVOCEANO includes the Red/Yellow/Green (RYG) Program and the Navy Contractor Performance Assessment Reporting System (CPARS). In addition to use of PPI from PDREP identified subsets, the PPI is also collected manually. Effort is currently underway to be able to use SPS/PD2 to electronically provide delivery and some contractor performance information. In addition, initiatives are underway to be able to electronically enter contractor performance assessment information into applicable PDREP subsets.

(3) Oral Presentations. Oral presentations by offerors as requested by the Government may substitute for, or augment, written information. Use of oral presentations as a

substitute for portions of a proposal can be effective in streamlining the source selection process. NAVOCEANO has been proactive in conducting research on the procedures being used for Oral Presentations to assist in the development of the division procedures.

(4) Use of Indefinite Delivery Type Contracts/Purchase Orders. Each acquisition is reviewed during procurement planning stages to ensure those acquisitions are acquired utilizing the appropriate contract type. Over the past several years many Indefinite Delivery Type Contracts/Purchase Orders (IDTCs/IDTPOs) have been issued, using both simplified and large contracting procedures for various types of products and services, based upon projected customer needs and evaluated procurement history indicating repetitive purchases (i.e. drifters/buoys, technical support services, replacement parts, etc.). In addition, in accordance with the current regulations/guidelines, NAVOCEANO maximizes consideration for use of multiple award Indefinite Delivery/Indefinite Quantity (IDIQ) contracts, which is addressed as a document element in required procurement plans.

(5) Commercial Item solicitations and contracts. The use of Commercial Item Solicitations and Contracts is strongly encouraged and widely used at NAVOCEANO. The applicable regulatory guidance for acquiring Commercial items has been implemented within the Contracts Branch to ensure those acquisitions meeting the definitions of Commercial items are procured utilizing simplified acquisition procedures under the Test Program defined in FAR 13.5 and other FAR and DFARS streamlining procedures. Simplified acquisition procedures for the acquisition of supplies and services are being used to the maximum extent possible. The use of commercial item techniques and guiding principles reduce the administrative burden, costs, and management of risks.

(6) Electronic Commerce. The Division is proactive in support of various electronic process initiatives that assist in reducing cycle time and enhancing communication with the division's internal and external customers. The following electronic tools are available to manage and gather information:

- Standard Procurement System (SPS)/Procurement Desktop Defense (PD2)

- Government Point of Entry (GPE) (FedBizOps) and Navy Electronic Commerce Online (NECO)
- Internet/NAVOCEANO Intranet
- PPIRS, RYG & CPARS)
- Navy Air Force Interface (NAFI) and Electronic Document Access (EDA)
- Navy Procurement Management Reporting System (PMRS)
- Supply Information System (SIS)
- Source One
- Electronic Certification of Invoices (PK1)
- Electronic Distribution of Contract Actions

Electronic means of communication is always used, whenever possible, within the contracting office (i.e. submission of procurement information (i.e. synopsis, solicitation) through GPE (FedBizOps/NECO), proposal/quotation submissions through GPE or via e-mail; proposal quotation evaluations via e-mail; CPARS input, contract/order distribution, contract administration documentation, submission of reports under procurement actions).

Through the use of SPS/PD2 the Division workload is automated to permit the use of the electronic worksheet to process the requisition. The system provides for requisition consolidation, oral and written solicitation, amendment, award and modification documents. SPS/PD2 provides on-line research capability of the FAR, DFARS and NAPS. The following modules are used to conduct different operations in the system: purchasing, contracting, file management, management information, system administration and support utilities. Reports are used for workload management, tracking, performance evaluations, and history.

(7) Government Purchase Card. NAVOCEANO actively promotes and maximizes the use of the Government Purchase Card, both as a method of purchase, where required/applicable, and as a method of payment.

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(8) Other

(a) Other streamlining initiatives include the use of GSA Information Technology (IT) Federal Supply Schedule contracts as well as other existing contracting vehicles that are utilized to fulfill customer requirements.

(b) The direct award to 8(a) contractor procedures have been utilized to acquire those requirements when applicable to streamline the acquisition of certain products and services.

The Division continues to strive to identify and communicate new ways to improve the critical process to achieve acquisition reform. Through discussions in the Team Sharing Meetings various aspects of acquisition reform are discussed and processes revised to improve performance by achievement of acquisition reform initiatives.

7. Activity-Developed Guidebooks/References.

a. Guidance regarding processing non-competitive acquisitions, including format for justifications, guidance regarding procedures for use of NAVOCEANO-wide technical services contract and notification of contractor capability/product presentations/demonstrations are posted to the Contracting Office public folders in Microsoft Outlook. A repository of all information related to the purchase card program is contained in an Outlook public folder. Various sample documents including award document, evaluation plan, sole source justification, negotiation memorandum, and request for quotation associated with GSA IT services and simplified acquisition procedures greater than \$100,000 are posted to a network drive. The contracting section of the NAVOCEANO Internet includes contracting information, primarily directed to contractors, regarding Doing Business with NAVOCEANO, the Small Business Program, Central Contractor Registration, Purchase Card Program and NECO link for NAVOCEANO solicitations. A Procurement Desktop Defense (PD2) standard operating procedure is provided to assist contracting personnel following our workflow and local procedures for contracting actions. PD2 Information Notes are provided to all contracting personnel advising of new procedures and policy.

b. All contracting standard and local forms are posted to a network drive including commercial item determination, fair and reasonable price determination, duty free correspondence,

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small business set-aside, quarterly management review, requisition price increase approval limits, logs, SAP documentation sheet, SAP oral solicitation, offer evaluation, etc. Paragraph 3b(2) of this SOP lists various in-process reviews. Enclosure (2) gives a complete listing of all SOPs. SOPs are reviewed and updated annually or as determined by the cognizant team leader/contract specialist.


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